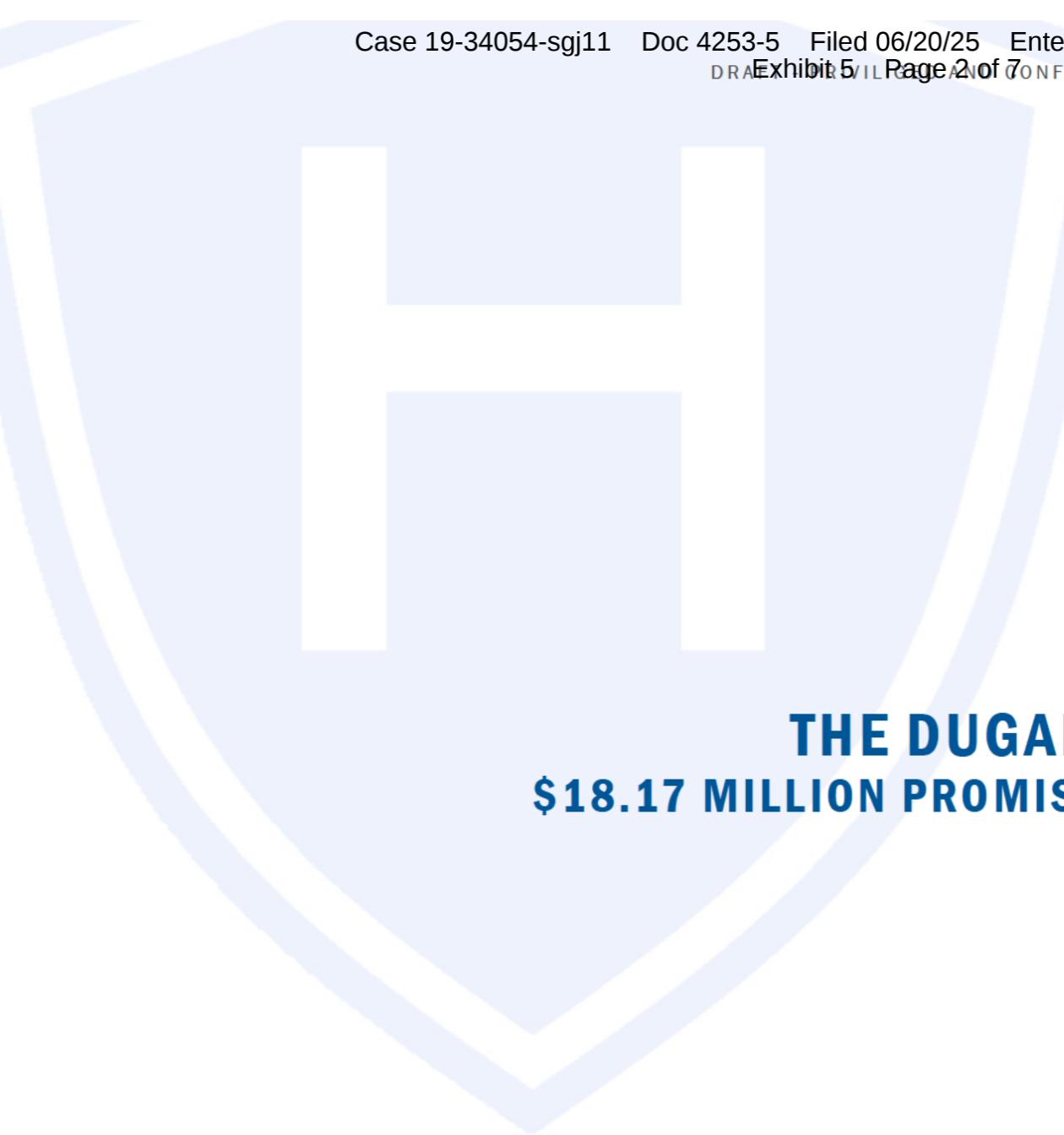


**EXHIBIT 5**



**THE DUGABOY INVESTMENT TRUST**  
**\$18.17 MILLION PROMISSORY NOTE OWED TO HCMLP**  
**FEBRUARY 2024**

**HIGHLAND CAPITAL**  
**MANAGEMENT**



## EXECUTIVE SUMMARY

- The Dugaboy Investment Trust (“Dugaboy”) is a Delaware Trust established in 2010 for the benefit of Jim Dondero (“Dondero”)
- [REDACTED]:
  - 100% LP interest in NexPoint Advisors, Dondero’s flagship real estate investment platform
  - Significant portfolio of publicly traded Dondero-managed entities as well as privately held real estate investments and other private investments
  - [REDACTED]
- Dugaboy was the Maker of a Promissory Note (the “Original Note”) dated 12/28/16 in the face amount of \$23,817,639.58 owed to The Get Good Non-Exempt Trust <sup>1</sup> as Payee
  - The Get Good Non-Exempt Trust assigned 97.6835% of its interest in the original note to HCMLP on 12/28/16, retaining 2.3165%
  - The Original Note was replaced by an Amended Note in the face amount of \$24,198,069.28 dated 5/31/17 and further replaced by a Promissory Note (the “Note”) in the face amount of \$24,268,621.69, also dated 5/31/17
  - The current face amount owed to HCMLP under the Note is \$18,174,936.62 <sup>2</sup>
  - Despite raising defenses with other notes owed by Dondero-affiliated entities, Dugaboy’s trustee affirmed under oath that no similar oral agreements existed beyond those specific notes <sup>3</sup>
  - Dugaboy’s counsel in fact asserted that “there is no dispute that . . . Dugaboy has been making (and continues to make) payments on the Dugaboy Note and that there is little risk of Dugaboy defaulting on the Dugaboy Note” <sup>4</sup>
- Terms of the Note:
  - Unsecured note due 12/31/46 <sup>5</sup>
  - Interest: 3.26% payable annually on December 31
  - Amortization: 1 / 30 of original principal amount owed annually on December 31 (\$790k owed annually to HCMLP, or 4.35% of the current principal amount)
- HCMLP is offering this Note at 50% of par, or \$9,087,468.31 / IRR of 13.6%
  - Proposed sale process will include a \$3mm overbid should another bidder come in at a higher price than initial bidder

<sup>1</sup> Dondero trust which is currently not believed to hold significant assets

<sup>2</sup> Principal amount owed following the December 2023 amortization payment

<sup>3</sup> Appendix in Support of Highland Capital Management, LP’s Motion for Partial Summary Judgement in Notes Actions (Adv Case No. 19-34054, Docket #0127)

<sup>4</sup> Dugaboy’s Brief in Support of the Motion to Dismiss, or in the alternative, Motion for More Definite Statement entered on 4/30/21 (Adv Case No. 20-03195, Docket #30)

<sup>5</sup> The note states that the final maturity date is 12/31/47, however it also states the note principal is due in thirty equal annual installments beginning 12/31/17, which would make the final installment due 12/31/46



## DUGABOY INVESTMENT TRUST

### SUMMARY PROPOSED SALE TIMELINE AND PROCESS

<b>Sale Period</b>	<ul style="list-style-type: none"><li>• First Round marketing February – March, Executed Stalking Horse Agreement Signed by April 30 with \$1mm deposit</li><li>• Second Round Marketing May, Auction week of June 10-14</li><li>• Closing week of June 24-28</li></ul>
<b>Materials / Documentation</b>	<ul style="list-style-type: none"><li>• Initial outreach with one slide teaser (executive summary slide)</li><li>• Potential buyers sign NDA and receive full deck along with [the note; historical Dugaboy financials]</li><li>• Negotiate / sign Stalking Horse Agreement</li><li>• Negotiate / sign final PSA with winner of auction</li></ul>
<div></div>	<ul style="list-style-type: none"><li>• <div></div></li></ul>
<b>Sale Terms</b>	<ul style="list-style-type: none"><li>• \$1mm deposit due upon execution of Stalking Horse Agreement</li><li>• Stalking Horse bidder receives \$2mm breakup fee from Seller</li><li>• Winning bid must be \$3mm over Stalking Horse Bid</li><li>• Example: Stalking Horse Bid of \$6mm, buyer puts up \$1mm deposit, another party bids \$9mm at auction, Seller nets \$7mm (receives \$9mm from buyer, refunds \$1mm deposit to Stalking Horse bidder and pays Stalking Horse bidder \$2m breakup fee)</li><li>• All sales are for cash only due at closing; all accrued interest travels to buyer</li><li>• 100% of purchase price due next business day</li><li>• Deposit due in advance of auction</li><li>• Second place bidder must agree that his bid must remain open and can be accepted 36 hours after the auction</li></ul>



DUGABOY INVESTMENT TRUST

DUGABOY NOTE CASHFLOWS

Dugaboy promissory note owed to HCMLP

Beginning principal owed to HCMLP	\$ 18,174,936.62	
Interest rate	3.26%	
Maturity	12/31/2046	
Years to Maturity	22.52	
Amort / Yr	4.35%	
WAL (years)	10.48	
Purchase Price (% of Par)	50.00%	[Illustrative]
Purchase Price (\$)	\$ 9,087,468.31	[trades flat]
Closing Date	6/30/2024	[Illustrative]
IRR:	13.62%	
Return %	178.30%	
P/L	\$ 16,203,008.57	
Years to breakeven	6.5	

	Amort schedule				
	Beg principal	Amort Payment	Interest Payment	Total Payment	Eding Principal
12/31/2023					\$ 18,174,936.62
12/31/2024	\$ 18,174,936.62	\$ 790,214.64	\$ 594,126.23	\$ 1,384,340.87	\$ 17,384,721.98
12/31/2025	\$ 17,384,721.98	\$ 790,214.64	\$ 566,741.94	\$ 1,356,956.58	\$ 16,594,507.34
12/31/2026	\$ 16,594,507.34	\$ 790,214.64	\$ 540,980.94	\$ 1,331,195.58	\$ 15,804,292.70
12/31/2027	\$ 15,804,292.70	\$ 790,214.64	\$ 515,219.94	\$ 1,305,434.58	\$ 15,014,078.06
12/31/2028	\$ 15,014,078.06	\$ 790,214.64	\$ 490,799.93	\$ 1,281,014.57	\$ 14,223,863.42
12/31/2029	\$ 14,223,863.42	\$ 790,214.64	\$ 463,697.95	\$ 1,253,912.59	\$ 13,433,648.78
12/31/2030	\$ 13,433,648.78	\$ 790,214.64	\$ 437,936.95	\$ 1,228,151.59	\$ 12,643,434.14
12/31/2031	\$ 12,643,434.14	\$ 790,214.64	\$ 412,175.95	\$ 1,202,390.59	\$ 11,853,219.50
12/31/2032	\$ 11,853,219.50	\$ 790,214.64	\$ 387,473.63	\$ 1,177,688.27	\$ 11,063,004.86
12/31/2033	\$ 11,063,004.86	\$ 790,214.64	\$ 360,653.96	\$ 1,150,868.60	\$ 10,272,790.22
12/31/2034	\$ 10,272,790.22	\$ 790,214.64	\$ 334,892.96	\$ 1,125,107.60	\$ 9,482,575.58
12/31/2035	\$ 9,482,575.58	\$ 790,214.64	\$ 309,131.96	\$ 1,099,346.60	\$ 8,692,360.94
12/31/2036	\$ 8,692,360.94	\$ 790,214.64	\$ 284,147.33	\$ 1,074,361.97	\$ 7,902,146.30
12/31/2037	\$ 7,902,146.30	\$ 790,214.64	\$ 257,609.97	\$ 1,047,824.61	\$ 7,111,931.66
12/31/2038	\$ 7,111,931.66	\$ 790,214.64	\$ 231,848.97	\$ 1,022,063.61	\$ 6,321,717.02
12/31/2039	\$ 6,321,717.02	\$ 790,214.64	\$ 206,087.97	\$ 996,302.61	\$ 5,531,502.38
12/31/2040	\$ 5,531,502.38	\$ 790,214.64	\$ 180,821.02	\$ 971,035.66	\$ 4,741,287.74
12/31/2041	\$ 4,741,287.74	\$ 790,214.64	\$ 154,565.98	\$ 944,780.62	\$ 3,951,073.10
12/31/2042	\$ 3,951,073.10	\$ 790,214.64	\$ 128,804.98	\$ 919,019.62	\$ 3,160,858.46
12/31/2043	\$ 3,160,858.46	\$ 790,214.64	\$ 103,043.99	\$ 893,258.63	\$ 2,370,643.82
12/31/2044	\$ 2,370,643.82	\$ 790,214.64	\$ 77,494.72	\$ 867,709.36	\$ 1,580,429.18
12/31/2045	\$ 1,580,429.18	\$ 790,214.64	\$ 51,521.99	\$ 841,736.63	\$ 790,214.54
12/31/2046	\$ 790,214.54	\$ 790,214.54	\$ 25,760.99	\$ 815,975.53	\$ -
			\$ 7,115,540.26	\$ 25,290,476.88	
			Purchase Price:	\$ (9,087,468.31)	[Illustrative]
			P/L:	\$ 16,203,008.57	[Illustrative]



DUGABOY INVESTMENT TRUST

DUGABOY NOTE PURCHASE PRICE SENSITIVITY

Note Purchase Price (\$)	\$ 6,361,227.82	\$ 7,269,974.65	\$ 8,178,721.48	\$ 9,087,468.31	\$ 9,996,215.14
Note Purchase Price (% of Par)	35.00%	40.00%	45.00%	50.00%	55.00%
IRR	21.80%	18.38%	15.74%	13.62%	11.87%
Return	297.57%	247.88%	209.22%	178.30%	153.00%
Total Cashflows Received	\$ 25,290,476.88	\$ 25,290,476.88	\$ 25,290,476.88	\$ 25,290,476.88	\$ 25,290,476.88
P/L	\$ 18,929,249.06	\$ 18,020,502.23	\$ 17,111,755.40	\$ 16,203,008.57	\$ 15,294,261.74
Years to Breakeven	4.5	5.5	6.5	6.5	7.5

Note: For board purposes only

Assumes 6/30/2024 closing date

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